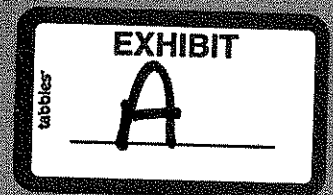
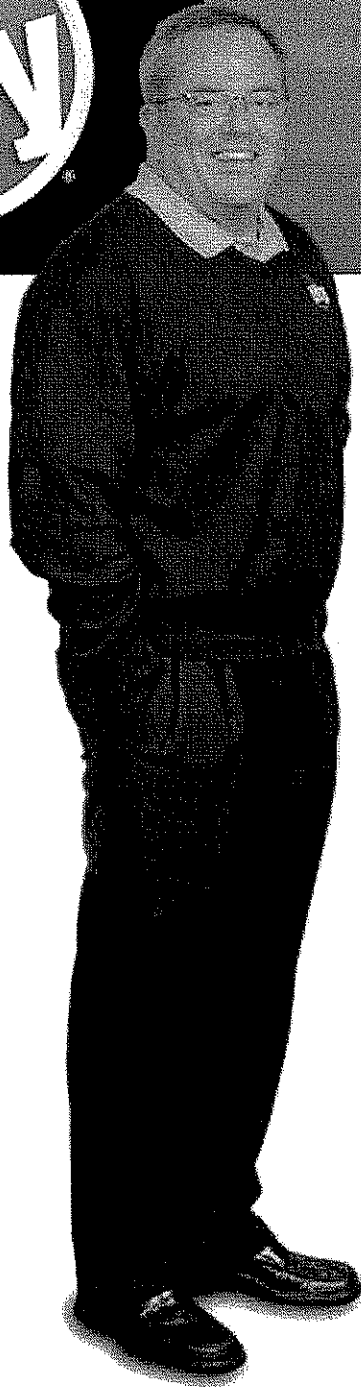
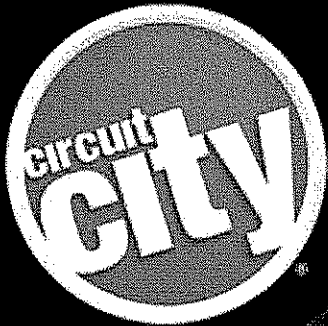


associate handbook

revised november 2007



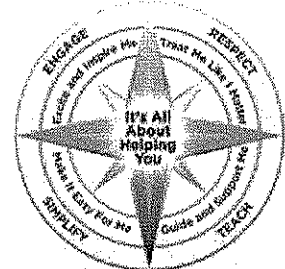


Dear Associate,

On behalf of our family of more than 46,000 associates, welcome to Circuit City. We have big plans for our company's future, and we're glad you have chosen to bring your unique strengths and talent to our team.

At Circuit City, we have a history of success for more than half a century. We've been around for this long for a reason: we have deep roots, we are innovative, and we are resilient. We can say with conviction why we're here and why the work we're doing matters: "It's all about helping you."

This is our North Star — it provides the direction, and our Compass guides the way. By remaining committed to our North Star, we will be the company that demonstrates to our customers, our associates, and our communities that we truly are "all about helping you."



Our leadership team is committed to sharing our enthusiasm and experience with you. We want to give you the training and opportunities that will help you have a successful career at Circuit City.

The future I see for our company is very bright. We are playing to win, and that will take each of us working together on a common goal. You have my promise that I will help our team go all the way. I look forward to working with you.

Sincerely,

A handwritten signature in black ink, which appears to read "Phillip J. Schoonover".

Phillip J. Schoonover
Chairman, President, and CEO



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Important Guidelines for Using This Handbook

As an associate of Circuit City Stores, Inc., you are responsible for following the guidelines and policies in this Associate Handbook as described. However, management reserves the discretion to change and adapt these guidelines and policies when necessary. In addition, this handbook contains general Circuit City information that you will find helpful. We are confident that when each associate follows the guidelines outlined in the handbook, we can operate our business in a manner that is effective for both you and the Company.

We hope that your employment relationship with Circuit City will be long-term. However, it is important to understand that this handbook is an informational document, and is not a contract guaranteeing employment for any specific duration. In legal terms, you and the Company have entered into an "at-will" relationship, which means there are no contractual or other legal rights in any term, condition, or aspect of the employment relationship, including, but not limited to, termination of employment. This means that either you or the Company may terminate this employment relationship at any time, with or without cause or notice.

No supervisor, manager, or representative of the Company, other than a Senior Vice President or above, has the authority to enter into any agreement with you for employment for any specified period or to make any promises or commitments contrary to the foregoing. Further, any employment agreement from those who have the authority to make such an agreement shall not be enforceable unless it is in writing and signed by all parties to the agreement.

Throughout this handbook, we refer to all employees, including applicants, of the Company as "associates." The term "Company" and "the City" refer to Circuit City Stores, Inc. and its affiliated companies.

Note: This handbook (revised November 2007), along with Standard Operating Policies and the Code of Business Conduct, supersedes all content found in previously published handbooks and communications.

If you have any questions, please discuss them with your immediate manager or your Human Resources representative.





Circuit City has been offering our customers cutting-edge technology since 1949. We've been around this long for a reason: we have deep roots, we are innovative, and we are resilient.

That tradition continues today.



1949

Sam Wurtzel opens the first Wards Company



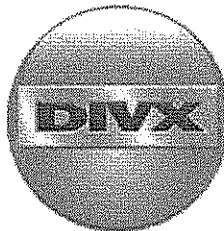
1993

Begins testing CarMax, an innovative retailing venture selling used vehicles



1974

Wards Loading Dock opens — precursor to today's Circuit City Superstore



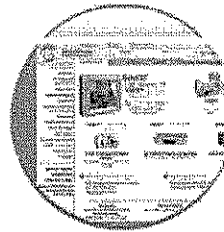
1998

DivX home video system national rollout



1984

Company name changes to Circuit City Stores, Inc.



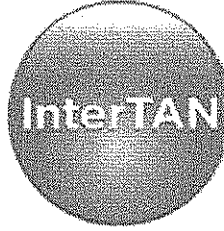
1999

Launches our e-Superstore, www.circuitcity.com



1987

Acquires Patapsco Design, Inc.



2004

InterTAN's Canadian operations become international segment



1990

Establishes First North American National Bank



2006

Launches firedogSM Digital Home Services





Who We Are

Circuit City is a 12 billion-dollar consumer electronics company with more than 600 stores throughout the United States.

Along with our stores, our team is made up of the Store Support Center in Richmond, Virginia, Service Centers located strategically around the country, and Distribution Centers that house and ship our merchandise.

Circuit City's online store, circuitcity.com, first launched in 1999 and quickly gained recognition as one of the leading online destinations to purchase consumer electronics. In 2004, circuitcity.com re-launched with a new look and feel, improved navigation, and more products to choose from than ever before. [Circuitcity.com](http://circuitcity.com) is a unique and highly-valued channel of our business.

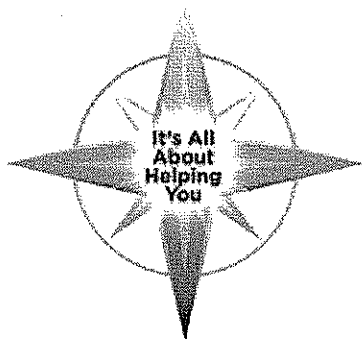


In 2004, InterTAN joined the Circuit City team. When Circuit City acquired Canadian based InterTAN in May 2004, we took over operation of a network of approximately 500 company-operated RadioShack stores, 340 RadioShack dealers, 80 Rogers Wireless stores, and 40 Battery Plus stores.





It's All About Helping You



How we stay the course — OUR NORTH STAR

It's for our customer. It's for our associates. It's for the communities that we work and do business in, and it's for our shareholders. Tactics and tools can change, but our North Star is here to stay, because why we're here will not change. It is "all about helping you."



How we make decisions — OUR STRATEGIC ARCHITECTURE

- Treat me like I matter: For our associates – "allow me to add value" and for our customers – individualized interactive experiences.
- Guide me and support me: For our associates – "help me get it right." And for our customers - full service experiences.
- Make it easy for me: For our associates – "give me confidence by making it simple." And for our customers - enjoyment - because we've made it simple for them.
- Excite and inspire me: For our associates and customers this simply means "engage me."



MAINTAIN THE HIGHEST INTEGRITY

How we treat each other — OUR VALUES

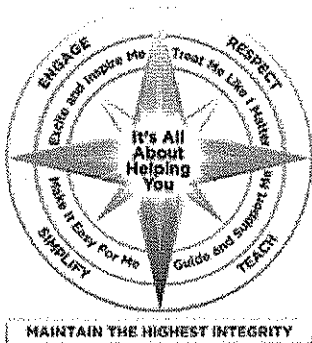
Respect: We show our respect for our customers by allowing them to shop the way they want across multiple channels. We show our respect for our associates by allowing them to add value to the customer's experience, their fellow associates' experience, and our business performance.

Teach: We help customers identify a full solution that best fits their needs and teach them how to get the most out of the technology they own. We support our associates by giving them the tools and resources they need and teach them how to get the experience right for every customer.





It's All About Helping You



How we treat each other — OUR VALUES (continued)

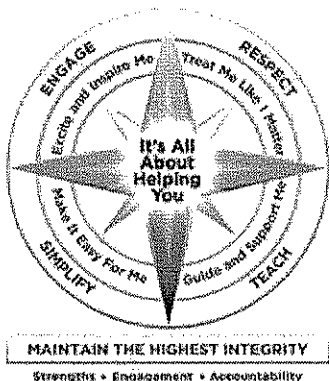
Simplify: We increase our customers' confidence by simplifying complex technology and increase their enjoyment by making it easy for them to use and enjoy their purchase. We increase our associates' confidence by simplifying processes and removing barriers that prevent them from providing a great customer experience.

Engage: We engage our customers and associates by showing genuine care and concern about what matters most to them, collectively and individually.

Maintain the Highest Integrity: The Foundation of our Values
Circuit City expects all associates to demonstrate the highest degree of integrity, responsibility, and professional conduct at all times. Whether on or off duty, all associates are Circuit City representatives.

Acceptable conduct involves not only sincere respect for the rights and feelings of others but the assurance that your conduct in both business and personal situations avoids any actions that might be harmful to yourself, other associates, the Company, our customers, vendors, and competitors.

For more information, please consult the Business Ethics/Standard of Conduct SOP and the Code of Business Conduct.



How we develop our talents — OUR CULTURE

By developing our ability to lead from strength, engage each other, be personally accountable, and by always maintaining the highest integrity, we can reach our North Star and achieve the vision of "It's All About Helping You."





Treat Me Like I Matter

You have the right to work in a professional environment free from all forms of discrimination, harassment and disrespect, including sexual harassment. Therefore, all associates have a responsibility to ensure that harassment and discrimination in any form does not occur at Circuit City.

Circuit City is strongly committed to complying with federal, state, and local laws on harassment and discrimination. Harassment or discrimination based on any protected characteristic is inappropriate and unlawful conduct; therefore, the Company will not tolerate such conduct or behavior in the workplace.

- No associate, male or female, should be subjected to any form of harassment or discrimination based on race, creed, religion, national origin, color, disability, age, gender, sexual orientation or any other protected characteristics.
- No associate should be subjected to unwelcome physical or verbal sexual behavior or conduct.
- Any associate found to have engaged in any form of harassment or discrimination may be subject to disciplinary action, up to and including termination.
- The Company prohibits unlawful harassment or discrimination at Company-sponsored functions on or off Company property.

The Company also considers disrespectful behavior unacceptable in the workplace. This includes banter among coworkers, even if they are friends. Teasing and joking are not acceptable defenses for disrespectful, harassing, discriminatory or offensive behavior, nor will we tolerate conversations or behavior in the workplace that is in any way disrespectful or discriminatory. Associates found to have treated others in a disrespectful manner are subject to disciplinary action, up to and including termination of employment.





Associates who experience or observe harassment, discrimination or disrespectful behavior are expected to report the incident in one of the following ways:

- Tell your manager or another member of the management team.
- Contact your Human Resources representative.
- Call the Open Circuit Line (877) 2 CIRCUIT (877) 224-7284.
- Contact the Issue Resolution Office (877) 6 CALL-IRO (877) 622-5547.

All associates, especially those who supervise or manage other associates, have a responsibility to notify other members of management if they are aware that harassment, discrimination or disrespect has occurred, or if they suspect that it has occurred.

Any associate who "looks the other way" and does not bring incidents of such behavior to the attention of management may be subject to disciplinary action.

Preventing harassment and discrimination is a matter of respecting each other's rights and dignity. If we all comply with this philosophy, it will contribute to a more enjoyable workplace and greater personal fulfillment for us all.

For more information, please consult the Harassment, Equal Employment Opportunity and Discrimination, and Business Ethics/Standard of Conduct SOPs, "It's A Matter of Respect" Philosophy and the Code of Business Conduct found on our Intranet site ccity.com.

To accomplish this goal, all Circuit City associates must commit themselves to achieving excellence in everything they do. No matter what your position, you must insist on excellence from your fellow associates and yourself.





Circuit City Values Differences

Our policy has always been to hire and promote individuals solely on the basis of merit and performance.

At Circuit City, we recognize, appreciate, and leverage the diverse experiences and backgrounds that our associates bring.

We pride ourselves on hiring and promoting individuals who contribute to our operational excellence and who will assist us in achieving our goal to be the best.

Circuit City is committed to treating every associate, customer, and vendor respectfully and we do not tolerate discrimination of any kind based on race, creed, religion, national origin, color, disability, age, gender, sexual orientation or any other protected characteristics.

Embracing the differences of others supports our commitment to build and sustain a high performance culture where leaders are expected to lead with integrity, serve with humility and treat people respectfully.

For more information, please consult the Harassment, Equal Employment Opportunity and Discrimination, and Business Ethics/Standard of Conduct SOPs, "It's A Matter of Respect" Philosophy and the Code of Business Conduct.





Heart of the City Program

Circuit City recognizes that associates have passion, commitment and want opportunities to give back to the community where they live and work. By focusing on your local community, associates will have the opportunity to not only strengthen their team but build partnerships with our customers. This is directly linked to our North Star.

Heart of the City primarily supports three philanthropic programs:

Boys & Girls Clubs

- Mentorship programs
- Athletic programs

United Way

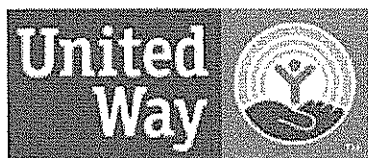
- Sorting food at the Food Bank
- Delivering food - Meals on Wheels
- Reading to seniors

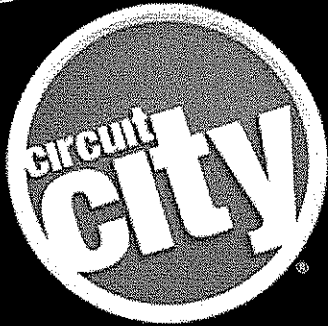
Helping Hands Fund

- Associates helping associates in time of need

Here are some easy steps to follow when determining how you and your team can volunteer in the community:

1. Meet with your team to discuss which agency you would like to volunteer at. Ask the team what the desired outcomes are for the volunteer event. Remember there are several agencies to choose from under the umbrella of United Way.
2. Contact Dirley Ball, Director, Corporate Citizenship (486-7256) to assist you and your team in the planning and coordination of your volunteer activity.
3. Consider the following:
 - Allow enough time to prepare for the event
 - Communication plan
 - Sign-up sheet
 - Consider transportation challenges
 - What supplies will be needed
4. Keep track of which associates participate and the number of volunteer hours for each associate.
5. Take pictures and have FUN!





Be In The Know

Competitive Wages

Wages are determined by the following: position, job responsibilities, experience, geographic area and market conditions. The rate of pay for associates will be reviewed regularly and adjustments are based on job performance and competitive ranges.

The Compensation Department periodically reviews wages using information gathered for comparable jobs, businesses and markets to ensure we retain our competitive position.

No deductions will be made from any associate's pay unless permitted by applicable law. Any associate who believes that an improper pay deduction has occurred is encouraged to advise his or her manager or Human Resources Manager. The matter will be promptly investigated, and if a mistake occurred, it will be corrected. Associates may complain without fear of retaliation in accord with Circuit City's Open Door policy.

Any questions concerning time sheets should be directed to your immediate supervisor.

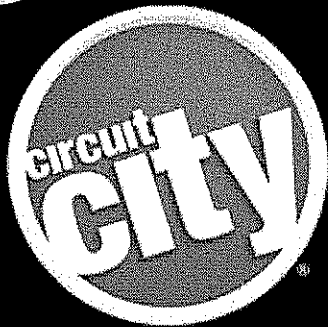
Record of Time Worked

The Fair Labor Standards Act (FLSA) is a federal law that requires that some associates be paid at least the federal minimum wage for all hours worked and be paid overtime pay in accordance with the applicable law for all hours worked over 40 in a single week.

Certain positions are exempt from both the minimum wage and overtime laws. To qualify for exemption, associates must meet job responsibilities tests and be paid a salary of not less than \$455 per week. Job titles do not determine exempt status. Exempt associates must receive the full salary for any work week in which they perform any work, regardless of the number of days or hours worked. (Does not include terminated associates). It is not required that exempt associates be paid for any work week in which they perform no work (e.g., when absent from work for one or more full days for personal reasons other than illness or disability). Exempt associates' pay is



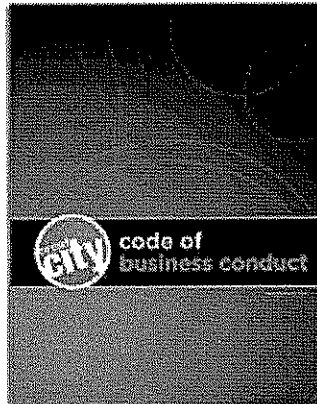
guidelines



Be In The Know

generally not subject to deductions to offset amounts received as jury or witness fees, or for military pay.

Circuit City will pay hourly nonexempt associates for all hours worked. If a nonexempt associate works more than 40 hours during a work week, Circuit City will pay him or her for all hours over 40 as required by federal and/or state law.



Conflict of Interest

While employed with Circuit City, it is a conflict of interest to accept employment with or in any other way to further the interest of a company in competition with Circuit City. Managing a personal business or deriving additional income from an activity related to your position at Circuit City may constitute a conflict of interest.

A conflict of interest exists when your position is used for personal gain or when other employment or commitments prevent job duties from being performed to the fullest extent. If you are involved in an activity outside of the Company and are in doubt regarding a conflict of interest, review the Code of Business Conduct, and/or discuss the situation with your manager or contact your Human Resources representative. Conflicts of interest are considered a serious violation of Company policy.

Solicitation and Distribution Policy

Solicitation of one associate by another associate while either is on work time is strictly prohibited.

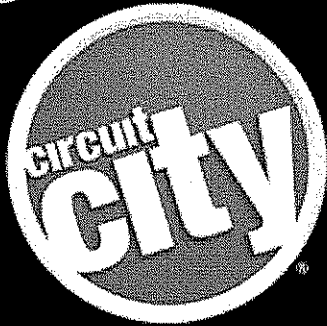
The distribution of non-work related materials is prohibited in work areas at all times. This includes anytime when an associate is performing work functions, but it does not include periods immediately before or after work, scheduled rest breaks, or scheduled meal periods.

The only exceptions to this policy are events associated with company-approved charitable organizations and company sanctioned programs, e.g., United Way, Boys and Girls Clubs of America, Circuit City's Helping Hands Fund.

Circuit City reserves the right to restrict access to its private property.



guidelines



Be In The Know

Confidentiality of Information/Work Product

Confidential or proprietary information about Circuit City, its clients, or its associates must be handled in strict confidence and not discussed with outsiders, including, but not limited to, the news media and businesses conducting employment reference checks, or with any Circuit City associates other than those who have a need to know.

Associates are responsible for internal security, such as locking desks and securing files. Release of confidential information, both deliberately or carelessly, is a serious breach of Company policy and may result in disciplinary action up to and including termination of employment. The Company may pursue legal action against associates who misuse Company information.

Knowledge of a willful violation of this policy must be reported to management. As an associate of the Company, your work product is not created for personal use and is considered a Company asset. Accordingly, associates assign and transfer to Circuit City Stores, Inc., its successors, legal representatives and assigns (i) the full and exclusive rights to any invention designed or created by associates at any time in connection with his/her employment and (ii) his/her entire right, title and interest in and to all Letters Patent which may be granted for such invention (including all divisions, reissues, continuations and extensions thereof) in the United States or any foreign country.

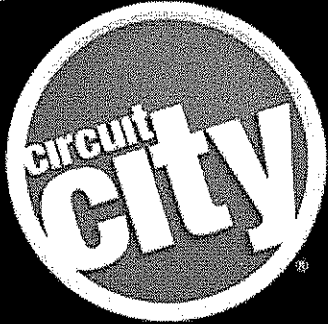
Insider Trading

Associates having access to non-public investment information are not permitted to disclose such information to people outside the Company or to co-workers unless the recipient of the information has a legitimate business-related need to know.

For more information, please consult the Business Ethics Standard of Conduct and Associate Integrity SOP Policies, and the Code of Business Conduct.



guidelines



Be In The Know

Accident or Injury

In the event of an accident or injury at work, notify a member of your management immediately, regardless of severity, as failure to do so may delay or prevent any compensation being paid for lost wages. If medical treatment is needed, review the Workers' Compensation poster at your location.

Assist your manager in completing an accident report. In case of an injury, the manager must call in a report of injury to the workers' compensation insurance carrier. An associate's job-related injury is covered by the workers' compensation provisions of the state in which he or she work.

Filing a fraudulent Workers' Compensation claim is unlawful, and the Company will take appropriate legal action when this occurs.

Asset Protection

The Asset Protection department's goal is to create and maintain an environment where every associate is involved in our Asset Protection efforts through awareness, training, positive reinforcement, and partnership at every level. Circuit City rewards associates who report internal theft, fraud, dishonest business practices, and other criminal activities. Associates can earn up to \$2,500 for the first report of information that leads to an admission of involvement by one or more associates engaged in theft, fraud or drug use or distribution. Rewards can also be earned for preventing external theft or fraud.

